



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-867]

Large Power Transformers from the Republic of Korea: Notice of Final Results of Antidumping Duty Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) finds that Hyundai Electric & Energy Systems Co., Ltd. (HEES) is the successor-in-interest to Hyundai Heavy Industries Co., Ltd. (HHI) and that HHI's current cash deposit rate is the applicable rate for all entries of the subject merchandise exported by HEES. In addition, we determine that facts presented in this changed circumstances review (CCR) warrant the retroactive application of the cash deposit rate to the effective date of the first entry by HEES.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: John C. McGowan, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3019.

SUPPLEMENTARY INFORMATION:

Background

On August 31, 2012, Commerce published in the *Federal Register* an antidumping duty order on large power transformers (LPTs) from the Republic of Korea (Korea).¹ HHI was one of the producers/exporters reviewed in the less-than fair-value investigation and has been reviewed in each subsequent administrative review of the *Order*. During the 2014-2015 administrative review, covering the period August 1, 2014, through July 31, 2015, Commerce assigned HHI an antidumping duty rate of 60.81 percent, finding that the application of total adverse facts available (AFA) was warranted.² In addition, during the 2015-2016 administrative review, covering the period August 1, 2015, through July 31, 2016, Commerce continued to assign HHI an antidumping duty rate of 60.81 percent, finding that the application of total AFA was warranted.³

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.216(d), on December 4, 2017, Commerce self-initiated a CCR regarding HHI's new spin off company, HEES, based on information obtained: (1) during the course of the 2014/2015 and 2015/2016 administrative reviews; (2) *via* public search and a phone conversation with a representative retained by ABB Inc.'s (ABB's or the petitioner's) counsel; and (3) from U.S. Customs and Border Protection (CBP) data.⁴

On May 31, 2018, Commerce issued the *Preliminary Results* of this CCR, in which it determined that: (1) HEES is the successor-in-interest to HHI; (2) HHI's current cash deposit

¹ See *Large Power Transformers from the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012) (the *Order*).

² See *Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 82 FR 13432 (March 13, 2017) (2014/2015 *Final Results*).

³ See *Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2015-2016*, 83 FR 11679 (March 16, 2018) (2015-2016 *Final Results*).

⁴ See *Large Power Transformers from the Republic of Korea: Initiation of Antidumping Duty Changed Circumstances Review*, 82 FR 57210 (December 4, 2017) (*Initiation Notice*).

rate is the rate applicable for all entries of LPTs exported by HEES; and (3) the application of the cash deposit rate applicable to HEES shall be made retroactively to the effective date of the first entry by HEES.⁵

On July 6, 2018, Hyundai submitted comments regarding the *Preliminary Results*.⁶ On July 13, 2018, ABB submitted its rebuttal brief.⁷

Scope of the Order

The scope of this *Order* covers large liquid dielectric power transformers having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

Incomplete LPTs are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of LPTs. The “active part” of the transformer consists of one or more of the following when attached to or otherwise assembled with one another: the steel core or shell, the windings, electrical insulation between the windings, the mechanical frame for an LPT.

The product definition encompasses all such LPTs regardless of name designation, including but not limited to step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, and power rectifier transformers.

The LPTs subject to this *Order* are currently classifiable under subheadings 8504.23.0040, 8504.23.0080, and 8504.90.9540 of the Harmonized Tariff Schedule of the United

⁵ See *Large Power Transformers from the Republic of Korea: Notice of Preliminary Results of Antidumping Duty Changed Circumstances Review*, 83 FR 24973 (May 31, 2018) (*Preliminary Results*) and the accompanying Preliminary Decision Memorandum.

⁶ HHI and HEES are collectively referred to as Hyundai. See Letter from Hyundai to Commerce, “Large Power Transformers from Korea: Hyundai’s Case Brief,” dated July 6, 2018.

⁷ See Letter from the petitioner to Commerce, “Large Power Transformers from the Republic of Korea: Petitioner’s Rebuttal Brief,” dated July 13, 2018.

States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.

Analysis of Comments Received

The issue raised in the case and rebuttal briefs by parties to this CCR is addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice.⁸ A list of the topics discussed in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B8024, of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

Final Results of Changed Circumstances Review

Based on the record evidence and our analysis of the comments received, Commerce continues to find that applying HHI's current cash deposit rate of 60.81 percent retroactively to the effective date of the first entry of HEES, HHI's successor-in-interest, is warranted.⁹

⁸ See Memorandum to Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Final Results of Changed Circumstances Review Regarding Successor-In-Interest Analysis: Large Power Transformers from the Republic of Korea," dated concurrently with this notice (Issues and Decision Memorandum).

⁹ See Issues and Decision Memorandum.

Instructions to U.S. Customs and Border Protection

As a result of this determination, Commerce will instruct CBP to collect estimated antidumping duties for all shipments of the subject merchandise produced and/or exported by HEES and entered, or withdrawn from warehouse, for consumption on or after the date of the first entry made by HEES at the 60.81 percent rate established in the 2014-2015 and 2015-2016 antidumping duty administrative reviews. This cash deposit requirement shall remain in effect until further notice.

Notification to Interested Parties

This notice serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.306. Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

We are issuing and publishing this final results notice in accordance with sections 751(b) and 777(i) of the Act, and 19 CFR 351.216, 351.221(b)(5), and 351.221(c)(3).

Dated: August 28, 2018.

Gary Taverman,

Deputy Assistant Secretary

*for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.*

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of Interested Party Comments

Comment: Whether Retroactive Application of a Cash Deposit Rate to a Successor-in-Interest is Permitted by Law and Consistent with Commerce's Practice

- V. Recommendation

[FR Doc. 2018-19210 Filed: 9/4/2018 8:45 am; Publication Date: 9/5/2018]